

INITIAL DECISION RELEASE NO. 335
ADMINISTRATIVE PROCEEDING
FILE NO. 3-12716

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

In the Matter of	:	
	:	INITIAL DECISION
GARY M. KORNMAN	:	October 9, 2007

APPEARANCES: Toby M. Galloway for the Division of Enforcement,
Securities and Exchange Commission

Barry S. Pollack of Sullivan & Worcester, LLP, and Janet K. DeCosta of
Janet K. DeCosta, P.C., for Respondent Gary M. Kornman

BEFORE: Carol Fox Foelak, Administrative Law Judge

SUMMARY

This Initial Decision bars Gary M. Kornman from association with any broker-dealer or investment adviser. It is based on his 2007 conviction for making a false statement to the Commission, in violation of 18 U.S.C. § 1001.

I. INTRODUCTION

A. Procedural Background

The Securities and Exchange Commission (Commission or SEC) instituted this proceeding, pursuant to Sections 15(b) of the Securities Exchange Act of 1934 (Exchange Act) and 203(f) of the Investment Advisers Act of 1940 (Advisers Act), on July 30, 2007, with a Corrected Order Instituting Proceedings (OIP). Pursuant to leave granted at the August 24, 2007, prehearing conference and 17 C.F.R. § 201.250, the Division of Enforcement (Division) filed a Motion for Summary Disposition on August 31, 2007. Kornman filed an opposition on September 28, 2007 (Opposition).¹

¹ Additionally, the Division filed a reply on October 3, 2007. The undersigned did not include a reply filing in the schedule ordered at the August 24, 2007, prehearing conference. See Gary M. Kornman, Admin. Proc. No. 3-12716 (A.L.J. Aug. 24, 2006) (unpublished). Thus, it was not considered.

